

FAQs on Resolution Framework 2.0 (H.O. Cir.No. 115-61 dated 21.05.2021)

MSME, Small business and Individual business loan, Restructuring

1. **An Individual. or Proprietorship or Partnership or Company / LLP has availed loans. Whether it is eligible under the scheme?**

Ans:- Yes, If loan is availed for business purpose.

2. **My total loan outstanding is Rs. 30 Crs, whether I am eligible?**

Ans:- No, loan outstanding should be less than or up to Rs. 25 Crs. from all the banks/NBFCs.

3. **My Loan outstanding is only Rs. 5 Crs. From BOI and from other banks Rs. 25 Crs. I should be eligible for resolution framework as it is less than Rs.25 Crs from individual bank?**

Ans:- No, you will not be eligible under resolution framework because total loan from all banks/NBFCs is more than Rs.25 Crs.

4. **Whether Udhyan registration is mandatory to avail benefit of the scheme?**

Ans:-Yes, for MSME borrowers it is mandatory before implementation. However, the same is not applicable for Individual and small business borrowers.

5. **Date of Implementation?**

Ans:-The restructuring of the borrower account to be invoked by **September 30, 2021**.
The restructuring of the borrower account to be implemented within 90 days from the date of invocation.

6. **Whether my account will be classified NPA after restructuring?**

Ans:- All standard accounts as on 31.03.2021, restructured under the provision will continue to be classified as "Standard".

7. **Whether the audited financials for 2020-21, are required for one-time restructuring?**

Ans:- Chartered Accountant certified or Self-certified Provisional Balance Sheet and financial projections may be provided in place of audited financials.

8. **What are the relief measures available under the scheme?**

Ans:-

- i) Max. Moratorium period of 24 months is permitted on restructured debt including FITL/WCTL.



- ii) Rephasement / Reschedulement of existing Term Loans by extending residual tenor by 24 months (including max. moratorium period of 24 months).
- iii) Funded interest term loan (FITL) for unrealized interest
- iv) Working capital term loan for balance over drawing power.
- v) Reassessment of existing working capital limit.
- vi) 50% Concession on the card rate or existing concessions whichever is higher for LC /BG limits.
- vii) Need based additional finance.

9. Whether I will get holiday period for my installment?

Ans:- Yes, You can get maximum 24 months holiday period for installment.

10. How the assistance for funding of future interest will be given?

Ans:- If required, Need based loans may be considered to fund future interest maximum up to 24 months.

11. I have already availed restructuring package in 2019 and 2020. Will I be ineligible? Please clarify.

Ans: Yes, accounts already restructured will be ineligible. However, for some relief like extension of moratorium period (only for individual and small business), please contact to branch.

12. What are all the documentation required for restructuring?

Ans:- It depends on case to case basis. However for loans above Rs.10 Lakhs indicative list of required documents is as under;

- Application
- Audited / self-certified provisional financials for 2019-20 / 2020-21
- Inventory/ receivables/creditors age-wise breakup
- CMA data along with DSCR calculation
- Other supporting documents

13. How can I apply for restructuring?

Ans:- You can apply through following channels;

- By contacting branch
- Online application through bank's website
- Download the application from banks website and submit to the branch

Please note that Branch may need additional documents/information to consider your request for restructuring of the account.

14. Who can provide answers to any further queries?

Ans:- Please contact your branch for further assistance.


